ORDINANCE NUMBER 6

SERIES 1974

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION WATER BONDS OF THE CITY OF ELGIN, OREGON, IN THE AMOUNT OF $600,000.00, AND DECLARING AN EMERGENCY.

WHEREAS, the City Council of the City of Elgin, Oregon, has heretofore referred to the vote of the qualified electors of said City a Charter Amendment entitled:

> An act to amend the Charter of the City of Elgin by adding a chapter authorizing the City Council to construct, operate and maintain a water system and related facilities, to acquire property to be used in connection therewith, and to issue general obligation bonds of the City in a sum not exceeding $600,000.00 and include in its general municipal tax levy each year a sufficient special levy to raise an amount which, together with other available funds, shall be sufficient to meet interest and principal payments upon such bonds when due.

AND WHEREAS a majority of said electors have approved said charter amendment heretofore,

NOW, THEREFORE, THE CITY OF ELGIN DOES ORDAIN as follows:

Section 1: Pursuant to voters' approval of said charter amendment adopted by the voters of said city at a special election duly called and regularly held therein, on the 26th day of February, 1974, the City shall issue and sell its "City of Elgin, Oregon, General Obligation Water Bonds" in the principal sum of $600,000.00 for the purpose of acquiring, constructing and installing improvements and additions to the water system, and paying for engineering and attorney's fees, and other related costs.

Section 2: The said bonds shall be negotiable coupon bonds, dated June 1, 1974, each shall be designated "City of Elgin, Oregon, General Obligation Water Bond," shall be in the denomination of $5,000.00 each, and shall bear interest at a net effective rate not to exceed 8% per annum payable semi-annually on the 1st day of June and the 1st day of December of each year during the life of the bonds, and shall be numbered consecutively from one to 120, both inclusive, and

shall mature in annual installments as follows:

Date	Amounts
June 1, 1975	$10,000.00
June 1, 1976	10,000.00
June 1, 1977	10,000.00
June 1, 1978	10,000.00
June 1, 1979	10,000.00
June 1, 1980	10,000.00
June 1, 1981	10,000.00
June 1, 1982	10,000.00
June 1, 1983	15,000.00
June 1, 1984	15,000.00
June 1, 1985	15,000.00
June 1, 1986	15,000.00
June 1, 1987	15,000.00
June 1, 1988	15,000.00
June 1, 1989	15,000.00
June 1, 1990	15,000.00
June 1, 1991	15,000.00
June 1, 1992	15,000.00
June 1, 1993	20,000.00
June 1, 1994	20,000.00
June 1, 1995	20,000.00
June 1, 1996	25,000.00
June 1, 1997	25,000.00
June 1, 1998	25,000.00
June 1, 1999	30,000.00
June 1, 2000	35,000.00
June 1, 2001	40,000.00
June 1, 2002	40,000.00
June 1, 2003	45,000.00
June 1, 2004	45,000.00

Bonds of this issue maturing after June 1, 1989, shall be subject to call and redemption, in inverse numerical order, at par, on June 1, 1989, and on any interest payment date thereafter, upon notice of such redemption being published in one issue of a newspaper of general circulation published in the County of Union, State of Oregon, not less than 30 days prior to the date of redemption. Both principal and interest shall be payable in lawful money of the United States of America at the office of the City Recorder of the City of Elgin, Oregon. Said bonds shall be signed by the Mayor and countersigned by the City Recorder with the corporate seal of said City affixed, and interest coupons shall be attached to said bonds, which bonds shall bear the facsimile signatures of the Mayor and City Recorder.

Section 3: The bonds hereby authorized and the coupons attached thereto shall be substantially in the following form:

No. _____ $_____

UNITED STATES OF AMERICA

STATE OF OREGON, COUNTY OF UNION

CITY OF ELGIN, OREGON GENERAL OBLIGATION WATER BOND

The City of Elgin, Oregon, for value received, hereby acknowledges itself indebted, and hereby undertakes and promises to pay to the bearer the sum of Five Thousand Dollars on the 1st day of June, 19___, with interest thereon at the rate of _____% per annum, payable semi-annually on the 1st days of June and December each year to the bearer of the respective coupons therefor and hereto attached upon presentation and surrender thereof as they severally and respectively mature, both principal and interest payable in lawful money of the United States of America at the office of the City Recorder of the City of Elgin, Oregon.

This bond is one of a series of like tenor, except as to issue and maturity date, issued as a part of a total issue of $600,000.00 for the purpose of providing funds for the construction and installation of a water system, together with all related facilities useful or convenient thereto or in connection therewith, authorized and issued by virtue of a majority vote of the legal voters of the City of Elgin, Oregon, voting at a special election called and held on the 26th day of February, 1974, and by virtue of Ordinance No. 5 of the City of Elgin, Oregon, duly passed by the City Council and approved by the Mayor of said City on June 11, 1974, and pursuant to the Constitution and laws of the State of Oregon, the Charter of the City of Elgin, and laws amendatory thereof and supplemental thereto.

Bonds of this issue maturing after June 1, 1989 shall be subject to call and redemption, in inverse numerical order, at par, on June 1, 1989 and on any interest payment date thereafter, upon notice of such redemption being published in one issue of a newspaper of general circulation published in the County of Union, State of Oregon, not less than thirty (30) days prior to the date of redemption.

This bond and the series of which it is one, with interest thereon, is a general obligation of the City of Elgin, Oregon, and in addition may be payable as to principal and interest from the net revenues of the water facilities of said city. For the punctual payment of the principal of this bond with interest thereon as aforesaid, the full faith and credit of the City of Elgin, Oregon, are hereby irrevocably pledged.

It is hereby certified that every requirement of the Constitution and laws of the State of Oregon have been duly complied with in the issuance thereof, and that this bond is within every debt and other limitation prescribed by the Constitution and laws of the State of Oregon and Charter of the City of Elgin, Oregon.

IN WITNESS WHEREOF, the City of Elgin, Oregon, has caused this bond to be signed by its Mayor and countersigned by its City Recorder under the corporate seal of said city and interest coupons attached hereto to bear the facsimile signatures of such Mayor and City Recorder all as of the 1st day of June, 1974.

CITY OF ELGIN, OREGON

Countersigned:

_____
Mayor

_____
City Recorder

(COUPON)

No._____ $_____

On June 1, 19_____

On December 1, 19____

CITY OF ELGIN, OREGON

will pay to the bearer the sum of _____ Dollars in lawful money of the United States of America, at the office of the City Recorder of the City of Elgin, Oregon, being six months' interest on its, the City of Elgin, General Obligation Water Bond, dated June 1, 1974, unless said bond is sooner redeemed as therein provided, which redemption will render this coupon void.

(facsimile signature)
Mayor

(facsimile signature)
City Recorder

Section 4: The unobligated net revenues of the water system after payment from gross revenue of the system of the ordinary operation and maintenance expenses thereof, may be pledged to the payment of the principal and interest upon the bonds. The Council of said City, each year, shall include in the General Tax Levy of the City a special levy sufficient with other monies available therefor, to pay promptly when due, the principal of and interest upon said bonds. The funds derived from such sources shall be carried by the Recorder of the City in a separate book account to be designated City of Elgin, Oregon General Obligation Water Bond Fund and shall be expended only in the payment of the principal of and interest on said City of Elgin, Oregon, General Obligation Water Bonds until all of said obligations and any that may be issued to refund them have been fully paid and redeemed or until the provision for the payment or redemption thereof has been made.

Section 5: As provided in Oregon Revised Statutes 287.002, the City Recorder is hereby authorized and directed to advertise the said "City of Elgin, Oregon, General Obligation Water Bonds", for public sale upon written bids at a price not less than par value and the full amount of accrued interest on said bonds and at an effective interest rate of not more than 8% per annum, the said sale to be held on such date as the City Council shall direct and the notice thereof to specify that the City reserves the right to reject any or all bids for the Bonds. Should the bids received for the Bonds not be acceptable to the City Council, the City Council may readvertise the bonds for sale as provided in Oregon Revised Statutes 287.002 or may sell them to the Federal Government or to any department or agency thereof at such price and such effective interest rate, not exceeding that contained in the most favorable competitive bid received for the bonds, as the City Council shall deem advisable. In the event the City sells the Bonds to the Federal Government or to any department or agency thereof, they may, at its option, issue the Bonds in the form of one or more installment bond.

Section 6: The Council desires and deems it necessary and advisable for the immediate preservation of the health, peace and safety of the City of Elgin that this Ordinance take effect at once, for the reason that the water system of said city is inadequate to meet its needs and plans for the new improvements and additions must be commenced at once in order to be ready for use as soon as possible, and therefore an emergency is hereby declared to exist and this ordinance shall be in full force and effect from and after its passage and approval.

PASSED this 11 day of June, 1974, by Unanimous (6) Councilpersons voting therefor.

Approved this 11 day of June, 1974.

William L. Stein
Mayor

Attest:

Ron Scoubes
City Recorder